



PURCHASING ITEM
FOR
COUNCIL AGENDA

1. Agenda Item Number:

32

2. Council Meeting Date:
May 8, 2014

TO: MAYOR & COUNCIL

3. Date Prepared: March 26, 2014

THROUGH: CITY MANAGER

4. Requesting Department: City Manager

5. SUBJECT: Purchase of network equipment

6. **RECOMMENDATION:** Recommend approval of the utilization of State contract #ADSP012-024658 for the purchase of network equipment from World Wide Technology, Inc. (WWT) in an amount not to exceed \$231,874.

7. **HISTORICAL BACKGROUND/DISCUSSION:** The City utilizes BIGIP network devices to manage network traffic both internally to the City's network as well as externally for Internet based City services and communications. These devices are used to balance network traffic across the City's servers to ensure service availability, improve speed and help maintain connectivity and services in case of an outage. The current devices are at end of useful life and are based on older technology that cannot keep pace with the City's current network demands. The replacement devices have greater capacity and more modern features that will help keep City systems online and functional as demands increase. The increased functionality of the new devices will allow the City to consolidate down from the current 4 devices to 2 devices. The vendor is providing a trade in value of \$4,000 for the 4 devices being replaced.

8. **EVALUATION PROCESS:** Computer network equipment and services were competitively bid by the State of Arizona in May, 2012 to identify a minimum discount level. F5, the manufacture of the BIGIP, offers "Opportunity Based Partnerships" with various re-sellers. WWT is considered a platinum re-seller and as such can offer the best discount available for this opportunity. As with most manufacturer/reseller sales opportunities, F5 has an opportunity based registration process that protects its partners. WWT has registered this opportunity with the City of Chandler to secure the most aggressive pricing available. The use of this contract provides approximately 40% off of the list price. A purchase order will be used as the agreement to purchase this equipment.

9. **FINANCIAL IMPLICATIONS:**

Cost: \$231,874

Savings: N/A

Long Term Costs: N/A

Fund Source:

<u>Acct. No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
403.1290.6315.000000	Technology Replacement	No Program	No	\$231,874

10. **PROPOSED MOTION:** Move to approve the utilization of State contract #ADSP012-024658 for the purchase of network equipment from WWT in an amount not to exceed \$231,874.

APPROVALS

11. Requesting Department

Patrick Hait, IT Infrastructure Manager

12. Department Head

Steven Philbrick, Chief Information Officer

13. Procurement Officer

Carolee Stees, CPPB

14. City Manager

Rich Dlugas